

Message Text

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40

ACTION EB-11

INFO OCT-01 ARA-16 ISO-00 CIAE-00 INR-10 NSAE-00 PA-04

RSC-01 USIA-15 PRS-01 SPC-03 SAM-01 L-03 NSC-10

COME-00 TRSE-00 AGR-20 STR-08 TAR-02 FRB-02 CEA-02

CIEP-02 OMB-01 DRC-01 /114 W
----- 092380

R 071400Z FEB 74

FM AMEMBASSY MANAGUA

TO SECSTATE WASHDC 3427

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E. O. 11652: N/A

TAGS: ETRD, NU

SUBJECT: EXPORT CONTROLS AND EXPORT TAXES

REF: STATE 022871

1. NICARAGUA HAS NO REPEAT NO EXPORT CONTROLS. A 2 YEAR, EMERGENCY TAX OF 10 PERCENT ON FOB VALUE OF AGRICULTURAL, FISHERY AND TIMBER EXPORTS OUTSIDE CENTRAL AMERICA WAS IMPOSED JANUARY 8, 1973, TO HELP MEET COST OF RECONSTRUCTING MANAGUA AFTER EARTHQUAKE. THE EFFECTIVE RATE OF THIS TAX SUBSEQUENTLY HAS BEEN LOWERED BY IMPUTING BELOW MARKET VALUES TO CERTAIN KEY EXPORTS. MOST RECENT SUMMARY OF CHANGES CONTAINED IN MANAGUA 0459. EMBASSY EXPECTS THIS EMERGENCY TAX WILL BE PERMITTED TO EXPIRE IN JANUARY 1975 IN THE CONTEXT OF AN OVERALL TAX REFORM.

2. THE ONLY PRESSURE AT PRESENT FOR EXPORT CONTROLS COMES FROM CONSTRUCTION INDUSTRY WHICH WOULD LIKE TO SEE TIGHT CONTROLS ON TIMBER EXPORTS TO INCREASE SUPPLIES FOR LOCAL MARKETS AT LOWER PRICES. IT IS UNLIKELY GON WILL INSTITUTE DIRECT CONTROLS, BUT, IF LUMBER SHORTAGE WERE TO BECOME CRITICAL, IT MIGHT ADOPT INFORMAL, AD HOC MEASURES TO INCREASE

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SUPPLIES.

3. EMBASSY KNOWS OF NO REPEAT NO BARTER ARRANGEMENTS IN
EFFECT OR UNDER CONSIDERATION.

4. NICARAGUA HAS INTRODUCED NO IMPORT RESTRICTIONS IN RECENT
YEARS.
SHELTON

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CUSTOMS DUTIES, FISH, LUMBER, EXPORT CONTROLS, EARTHQUAKES, ECONOMIC RECONSTRUCTION
Control Number: n/a
Copy: SINGLE
Draft Date: 07 FEB 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974MANAGU00489
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: MANAGUA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740249/aaaabtzi.tel
Line Count: 68
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Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: STATE 022871
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Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 18 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <18 SEP 2002 by martinml>; APPROVED <18-Sep-2002 by MorefiRH>
Review Markings:

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US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Release Event: n/a
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Secure: OPEN
Status: NATIVE
Subject: EXPORT CONTROLS AND EXPORT TAXES
TAGS: ETRD, NU
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Type: TE
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